

November 15, 2001

Mr. Andrew Stephens
Director for Steel Trade Policy
Trade Policy Staff Committee
Office of the United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Mr. Stephens:

I understand the ITC has made a finding that certain segments of the U.S. steel industry have suffered damage as a result of growing imports of foreign steel, and you will be examining proposed remedies for consideration by the President.

My firm, like many thousands of others across the country, manufactures products of steel that must compete with similar products manufactured overseas and imported into this country. Naturally the imported products are made of foreign steel. They also are made using low cost foreign labor, resulting in much lower costs of manufacture.

Our product line includes shelf brackets, closet rods and other home hardware items, distributed nationally through hardware and home center chains. By using automation and modern manufacturing techniques we have been able to hold onto our major customers, such as Home Depot, Lowes and other hardware retailers. But we have had to cut our prices and margins to reduce the price differential between our products and the imports.

If restrictions on steel imports result in substantially higher prices for steel in this country, which they almost certainly will, the outcome is certain to be that we will lose business, **and therefore jobs**, to foreign imports. In short, **our company and our industry would be harmed** by measures taken to protect U.S. steel producers.

This is very different, it seems to me, from protecting, say, textile manufacturers, where the only ones harmed by the protection would be American consumers. In the case of protecting U.S. steel companies, you face the very real potential of **causing the loss of more jobs than you are protecting**.

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The categories of steel used in our products, and those of many other U.S. product manufacturers, include:

- 1.hot-rolled sheet and strip
- 2.cold-rolled sheet and strip
- 3.corrosion-resistant and other coated sheet and strip

We would ask that these be excluded from any restrictions or duties on imports.

Sincerely yours,

John R. Sterling
President
John Sterling Corporation
11600 Sterling Parkway
Richmond, IL 60071